

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 7038 – SB 7060

August 21, 2023

SUMMARY OF BILL: Requires the Department of Education (DOE) to establish and administer a School Safety Alert Grant Program with the purpose of providing grants to local education agencies (LEAs) and public charter schools to establish school safety alert systems in public schools. Creates a separate fund within the General Fund to be known as the School Safety Alert Grant Fund (Fund). Establishes the legislative intent that funding in the amount of \$90,000,000 be appropriated for FY24-25 in the General Appropriations Act for awarding grants from the Fund. Requires DOE to allocate and disperse grants each fiscal year to LEAs and public charter schools subject to the availability of funds.

Requires the grants to be awarded on a first-come, first-served basis and limits the grant award to \$50,000 per eligible school in a fiscal year. Requires monies in the fund to be invested by the State Treasurer for the benefit of the fund and interest accruing on investments and deposits of the fund to be returned to and remain part of the fund. Requires that any unexpended fund balance remaining at the end of a fiscal year to be carried forward until expended. Authorizes the Commissioner of DOE to promulgate rules pursuant to this section. Requires DOE to prepare a report to the General Assembly, on or before January 1, 2025 and by January 1 of each subsequent year, regarding the funds received and payments made by the Fund.

FISCAL IMPACT:

Increase State Expenditures – \$90,000,000/FY24-25

Other Fiscal Impact – To the extent that the School Safety Alert Grant does not cover the costs for LEAs and public charter schools to install and maintain a safety alert system, an increase in local expenditures may occur. However, due to multiple unknown variables, the extent and timing of any local fiscal impact cannot be reasonably determined.

Assumptions:

- The proposed legislation requires DOE to administer the School Safety Alert Grant Program and provide grants to LEAs and public charter schools through an intended initial appropriation of \$90,000,000 made by the General Assembly for FY24-25.
- DOE will be able to administer the Grant Program and provide an annual report within existing resources without a significant increase in state expenditures.

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- The cost to install and maintain a school safety alert system will depend on various factors, including the type of technology purchased, the number of components, the size of the school, and individual vendor contracts.
- It is unknown if the maximum grant award of \$50,000 will be sufficient to cover the cost for all schools to establish school safety alert systems.
- If the grants awarded by DOE are insufficient to cover the costs of a safety alert system, a permissive increase in local expenditures may occur. However, due to multiple unknown variables, a precise fiscal impact cannot be reasonably determined.
- If funds become no longer available through the School Safety Alert Grant Program, or if the grant awards are insufficient to cover installation and maintenance costs during the life of the grant program, public schools and public charter schools may have to provide local funding to ensure the continued operation and maintenance.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

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